

**STATE OF ILLINOIS  
SECRETARY OF STATE  
SECURITIES DEPARTMENT**

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<b>IN THE MATTER OF: Gary Carter Jr.,</b>	)	
<b>Gary Carter Sr., Cheetah Machines Inc., its Partners.</b>	)	
<b>Members, Officers, Directors, Agents, Employees,</b>	)	
<b>Affiliates, Successors and Assigns; and</b>	)	
<b>Directors, Agents, Employees, Affiliates, Successors</b>	)	
<b>and</b>	)	<b>File No. C1100006</b>
<b>Believer's Two, Inc., its Partners. Members, Officers,</b>	)	
<b>Directors, Agents, Employees, Affiliates, Successors</b>	)	
<b>And Assigns</b>	)	
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**ORDER OF PROHIBITION**

**TO THE RESPONDENTS:**

Gary Carter Jr.  
Believer's Two, Inc.  
7455 Grant Circle  
Hanover Park, Illinois 60633

Cheetah Machines Inc.  
Attention: Case Hoogendoorn  
122 S. Michigan  
Suite 1220  
Chicago, Illinois 60603

Gary Carter Sr.  
Cheetah Machines Inc.  
7490 Washington Street  
Hanover Park, Illinois 60133

WHEREAS, a Temporary Order of Prohibition was issued by the Illinois Secretary of State, on April 1, 2011, temporarily prohibiting the Respondents from offering or selling securities in the State of Illinois until further order from the Secretary of State.

WHEREAS, pursuant to Section 11.F of the Illinois Securities Law of 1953 [815 ILCS 5] (the "Act"), the failure to request a hearing within thirty (30) calendar days of

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the entry of a Temporary Order shall constitute an admission of any facts alleged therein and constitute a sufficient basis to make the Temporary Order final.

WHEREAS, the Respondent has failed to request a hearing on the matters contained in the Temporary Order within thirty (30) calendar days of the entry of said Temporary Order and the Respondents are hereby deemed to have admitted the facts alleged in the said Temporary Order.

WHEREAS, the Secretary of State, by and through his duly authorized representative, has adopted the Findings of Fact contained in the said Temporary Order as the Secretary of State's Final Findings of Fact as follows:

### **BACKGROUND FACTS**

1. Believer's Two, Inc. ("Respondent Believer's Two" or collectively with Respondents Gary Carter Jr. and Gary Carter Sr., "Respondents") is a Illinois corporation dissolved involuntarily in 2010. Its last known address is 7455 Grant Circle, Hanover Park, Illinois 60633.
2. Cheetah Machines Inc. ("Respondent Cheetah" or collectively with Respondents Gary Carter Jr. and Gary Carter Sr., "Respondents") is purported an Illinois corporation. Its last known address is 7490 Washington Street, Hanover Park, Illinois 60133.
3. Gary Carter Jr. ("Respondent Carter Jr." or collectively with Respondent Believer's Two, Cheetah and/or Gary Carter Sr., "Respondents") was the President of Respondent Believer's Two at all relevant times herein.
4. Gary Carter Sr. ("Respondent Carter Sr." or collectively with Respondent Believer's Two, Cheetah and/or Gary Carter Jr., "Respondents") is the President of Respondent Cheetah at all relevant times herein.
5. That beginning in 2009, Respondents offered and sold "class A common stock" marked "Cheetah Believer's Two, Inc" to unaccredited Illinois investors.
6. That just prior to the purchase of stock, the Respondents took arranged for all the investors to "tour" the facility; however the facility toured was not owned or operated by the Respondents at any time.
7. That the activities set forth in paragraphs above constitute the offer and sale of stock, and therefore a security, as those terms are defined in Section 2.1, 2.5 and 2.5a of the Illinois Securities Law of 1953, 815 ILCS 5/1 *et seq.*

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**COUNT I**

**815 ILCS 5/12.A and D violations: Respondents are  
unregistered securities.**

- 1-7. Paragraphs 1-18 are re-alleged and incorporated by reference.
8. Respondents failed to file an application for registration of the above-referenced securities with the Secretary of State and as a result, the securities were not registered pursuant to Section 5 of the Act prior to their offer and sale in the State of Illinois.
9. Section 5 of the Act provides, *inter alia*, that all securities except those exempt under Section 3 of the Act or those offered and sold in transactions exempt under Section 4 of the Act shall be registered with the Secretary of State prior to their offer or sale in the State of Illinois.
10. Section 12.A of the Illinois Securities Law of 1953, 815 ILCS 5/1 *et seq.*, (the "Act") states that it shall be a violation of the provisions of this Act for any person to "offer or sell any security except in accordance with the provisions of this Act."
11. Section 12.D of the Illinois Securities Law of 1953, 815 ILCS 5/1 *et seq.*, states that it shall be a violation of the provisions of the Act for any person to "fail to file with the Secretary of State any application, report or document under the provisions of this Act or any rule or regulation made by the Secretary of State pursuant to this Act or to fail to comply with the terms of any order of the Secretary of State issued pursuant to Section 11 hereof.
12. By virtue of the foregoing, Respondents violated Sections 12.A and 12.D of the Act.

**COUNT II**

**815 ILCS 5/12.F violation: Respondents engaged  
in practices in connection with the sale of securities  
that worked a fraud or deceit  
on the purchaser thereof**

- 1-7. Paragraphs 1-7 are re-alleged and incorporated by reference.
8. Section 12.F of the Illinois Securities Law of 1953, 815 ILCS 5/1 *et seq.*, states that it shall be a violation of the provisions of the Act for any person to "engage in any transaction, practice, or course of business in connection with the sale or purchase of securities which works or tends to work a fraud or deceit upon the purchaser or seller thereof."

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9. The facts alleged in above allege facts that show conduct by the Respondents that violate Section 12.F of the Act. In particular: Respondents own or operate the facility which they portrayed to the investors was their facility.

### **COUNT III**

#### **815 ILCS 5/12.G violation: Respondents obtained Complainants' money by making untrue statement of material fact and omission to state a material fact**

- 1-7. Paragraphs 1-7 are re-alleged and incorporated by reference.
8. Section 12.G of the Illinois Securities Law of 1953, 815 ILCS 5/1 *et seq.*, states that it shall be a violation of the provisions of the Act for any person to "obtain money or property through the sale of securities by means of any untrue statement of a material fact or any omission to state a material fact necessary in order to make the statements made, in light of the circumstances under which they were made, not misleading."
10. The facts alleged in above allege facts that show conduct by the Respondents that violate Section 12.G of the Act. In particular: Respondents own or operate the facility which they portrayed to the investors was their facility.

### **COUNT IV**

#### **815 ILCS 5/12.D Violation: Failure to Respond**

- 1-7. Paragraphs 1-7 are re-alleged and incorporated by reference.
8. That the Office of the Secretary of State, Illinois Securities Department ("Department") commenced an investigation into the Respondent's activities for possibly offering/and or selling unregistered securities in the State of Illinois without being registered as a salesperson pursuant to Section 8 of the Act.
9. That in connection with its investigation the Department on January 27, 2011 sent a letter pursuant to Section 11.C of the Act ("11.C letter") to the Respondent at his home by means of certified mail, return receipt requested. The Respondent pursuant to the terms of the 11.C letter was required to respond in writing within ten (10) business days from receipt.
10. That the above-referenced 11.C letter was received at the Respondent's place of home on January 29, 2011.

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11. That the Respondent did not respond to the January 27, 2011 11.C letter as required.
12. That Section 12.D of the Act provides, inter alia, that it shall be a violation of the provisions of the Act for any person to fail to file with the Secretary of State any application, report or document required to be filed under the provisions of the Act or any rule or regulation made by the Secretary of State pursuant to the Act.
13. That by virtue of the foregoing, the Respondent has committed a violation of Section 12.D of the Act.

WHEREAS, the Secretary of State, by and through his duly authorized representative, has adopted the Conclusions of Law contained in the said Temporary Order as the Secretary of State's Conclusions of Law as follows:

Respondents violated Sections 12.A, 12.D, 12.F and 12.G of the Act.

NOW THEREFORE IT IS HEREBY ORDERED: That pursuant to Section 11.F of the Act, the Respondents, Gary Carter Sr., Gary Carter Jr., Believer's Two Inc., its Partners, Members, Officers, Directors, Agents, Employees, Affiliates, Successors, and Assigns and Cheetah Machines Inc., its Partners, Members, Officers, Directors, Agents, Employees, Affiliates, Successors, and Assigns **shall be and are hereby Permanently PROHIBITED** from offering or selling any securities in or from the State of Illinois.

Dated: This 4<sup>th</sup> day of May 2011



JESSE WHITE  
Secretary of State  
State of Illinois

NOTICE: Failure to comply with the terms of this Order shall be a violation of the Section 12.D of the Act. Any person or entity who fails to comply with the terms of this Order of the Secretary of State, having knowledge of the existence of the Order, shall be guilty of a Class 4 Felony.

This is a final order subject to administrative review pursuant to the Administrative Review Law, {735 ILCS 5/3-101 et seq.} and the Rules and Regulations of the Illinois Securities Act, {14 Ill. Admin. Code Ch. I, Section 130.1123}. Any action for Judicial

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Review must be commenced within thirty-five (35) days from the date a copy of this Order is served upon the party seeking review.

Attorney for the Secretary of State:

Mary A. Lopez

Enforcement Attorney

Illinois Secretary of State Securities Department

69 West Washington Street

Chicago, Illinois 60602

312-793-3023